

11/1/77 [1]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 11/1/77
[1]; Container 48

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/att.	From Brzezinski to The President (2 pp.) re: Meeting With Soviet Foreign Trade Minister/ enclosed in Hitchenson to Brzezinski 11/1/77 <i>RAC Declass NC-126-9-30-1-8,</i> <i>opened 3/6/13</i>	10/28/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec. - Pres. Hand
writing File 11/1/77 [2] BOX 61

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 1, 1977

C

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

(Per Your Request)

FROM: HUGH CARTER *HC*

SUBJECT: Security Violations


Attached are copies of the security violations for the month of October.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: ZBIGNIEW BRZEZINSKI
FROM: HUGH CARTER 
SUBJECT: Security Violations

The President has asked me to notify you of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/6	Francesca Lapinski	Top Secret, Secret and Confidential documents found in open safe
10/22	Henry Richardson	Top Secret, Secret and Confidential documents found in open safe
10/24	Jessica Tuchman	Top Secret documents found in open safe

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: THE VICE PRESIDENT
FROM: HUGH CARTER 
SUBJECT: Security Violation

The President has asked me to notify you of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/7	Penny Miller	Top Secret material found in open safe
10/15	Penny Miller	Secret document found in In & Out box on table behind desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: HAMILTON JORDAN
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to notify you of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/7	Mark Siegel	Confidential document found in desk
10/28	Landon Butler	Confidential document found on desk

cc: The President

THE WHITE HOUSE

WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: STU EIZENSTAT
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to notify you of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/7	Bob Ginsburg	Confidential documents found in open desk
10/7	Lynn Daft	Confidential documents found on desk
10/17	Nancy Dorman	Confidential document found on desk
10/17	Margo Friedman	Secret document found on desk
10/19	Elizabeth Abramowitz	Confidential document found on desk
10/28	Joanne Hurley	Confidential document found on desk
10/28	Stu Eizenstat	Confidential document found on desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: FRANK MOORE
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to make you aware of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/24	Jim Free	Confidential document found in desk drawer
10/30	Frank Moore	Confidential document found on desk

cc: The President

THE WHITE HOUSE

WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: CHARLIE SCHULTZE
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to notify you of the following security violations:

Date	Name	Nature of Violation
9/28	Rick Kalsky	Confidential documents found on desk
9/28	Richard Koss, Jr.	Confidential documents found in open cabinet
10/4	Jeffrey Shafer	Secret and Confidential documents found on table
10/7	Martha Perry	Confidential documents found in book case behind desk
10/27	Jeffrey Shafer	Confidential documents found in open safe

cc: The President

THE WHITE HOUSE

WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JODY POWELL
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to make you aware of the following security violations:

Date	Name	Nature of Violation
10/25	Walt Wurfel	Confidential material found on desk
10/25	Jody Powell	Secret document found on desk
10/26	Rex Granum	Confidential material found on desk
10/26	Jody Powell	Confidential material found on desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: MARTY BEAMAN
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation

The President has asked me to make you aware of the following security violation:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/17	Marty Beaman	Secret documents found in bottom drawer of desk
10/17	Paul Reason	Confidential document found in bottom drawer of desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: PETER BOURNE
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to notify you of the following security violation:


Date	Name	Nature of Violation
10/17	Ellen Metsky	Two Confidential documents found on top of desk
10/22	Gerald Fill	Secret and Confidential documents found in open safe

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: TIM KRAFT
FROM: HUGH CARTER 
SUBJECT: Security Violations

The President has asked me to notify you of the following security violation:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/28	Fran Voorde	Confidential document found on desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JOE ARAGON
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to notify you of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/23	Vivian Lichtman	Top Secret, Secret and Confidential documents found on top of desk

cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: FRANK PAGNOTTA
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation

The President has asked me to notify you of the following security violation:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/22	Roger Colloff	Confidential material found in In & Out box


cc: The President

THE WHITE HOUSE
WASHINGTON

November 1, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE FILE

FROM: HUGH CARTER 
SUBJECT: Security Violation

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
10/17	Hugh Carter	Confidential document found in In & Out box

cc: The President

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 1, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER, CHARLIE SCHULTZE
JIM MCINTYRE, HAMILTON JORDAN, H.D.
- LARRY WOODWORTH, FRANK MOORE,*
STU EIZENSTAT S.M.

SUBJECT: Long Range Strategy on Energy Conference

We met together yesterday to discuss the recommendations on the posture and the strategy one might adopt on the energy bill now that the Senate has completed action on all parts of the bill. Although this meeting was prompted by your session with the leadership tonight, our recommendations go beyond that meeting and urge that, throughout the Conference, you hold firm to the National Energy Plan positions, exploring compromise only when our supporters in conference believe the time is ripe.

Strategy

Because we have had such good success over the past several weeks in getting the skeleton tax bill through the Senate, we tend to forget what a poor position we were in only a month ago on this legislation. We should not overlook or underestimate the great substantive differences that continue to separate the House and Senate positions. Nor can we forget the fragile political coalition that we will have to maintain if we are to pass the bill through both houses that is agreed upon by the conferees. We should not let the strategic successes of the recent weeks, especially in the Senate, diminish the difficulties that face us in Conference and later in both Houses.

We unanimously recommend that:

1. It would be advisable that you not become personally involved in initiating compromise and that you avoid any discussion of compromise proposals until they are put forward by our supporters. Although the temptation to

* Frank Moore was on Hill - will review and make additional comments. H.D.

move the Conference forward by suggesting or engineering compromises will be great, such action will be taken at the risk of making our supporters feel that the rug might be pulled out from under them without their knowledge or consent. We recommend that you stick to the position that you favor the provisions of the National Energy Plan, as embodied in either the House or Senate bill, whichever is closer to our plan, until such time as our allies approach you and seek your advice on whether to back off of a given position. Compromise areas can be cautiously explored with the conference by Secretary Schlesinger and, where appropriate, Larry Woodworth without directly involving you. Within the Administration we can and will quietly analyse compromise options through our regular interagency.

Adoption of the Conference Report by both the House and Senate will depend on the support of the House liberals (which we now have) and of a coalition of Senate Democratic and Republican moderates. Early indications of willingness on your part to compromise will be correctly perceived as gratuitous, will infuriate the liberals and other supporters and could easily cost us their support. On the other hand, the Senate Conferees expect us to support the National Energy Plan proposals just as long as possible, and such a stance will not truly offend them. As one participant at this meeting succinctly put it: "If we compromise early, the Senate will think we are suckers and the House will call us unreliable."

Holding back on compromise is also critical if you are to follow through on your pledge to various groups to consult them before making final decisions. Any indication of compromise from you, even if tentative and occurring during consultation, will be taken as a new point from which negotiations can begin. You are in a far stronger position, particularly with labor and consumer groups, if a compromise comes from the House conferees and you can then characterize it as a House proposal offered in order to break an impasse. If you initiate a compromise, the claim of "selling out" when the House was still willing to fight is inevitable. Compromise will come as the result of the process, and the Conferees should battle these issues out themselves. We feel it would be inappropriate and politically devastating for you to take the posture of initiating items for

compromise. The House conferees and our friends in the Senate do not expect you to be the great compromiser; quite the contrary, they expect you to hold firm to the NEP and the House position. They will look to you as a sign of stability in the fray. To do otherwise would play into the hands of our opponents and would divide us from our supporters, a situation in which we can only lose.

2. It would be inadvisable to try to force the timing of the Conference. Time is currently on our side since the Conferees, as well as other members of Congress, will be anxious to resolve the energy legislation and adjourn this session. The Cabinet campaign and your address to the Nation should keep pressure on the Congress to enact acceptable energy legislation this year. Since you will be the ultimate judge of what is and is not acceptable (by deciding whether to sign or veto the legislation) the Conferees are under pressure to work toward the Administration's proposals.

It is critical, however, that the Conference develop its own timetable. Any suggestion from us that we are unhappy with the pace of the Conference, or worse, that we have some internal deadline to meet, shifts the weight of the time advantage and greatly weakens our position. Your statements that you would be willing to postpone your foreign trip have already helped us logistically, in addition to reinforcing your statements that energy is a top priority.

At this stage, it is unclear whether the Conference will take 3 to 4 weeks or 6 to 8 weeks. Given the large number of strongly contested issues on both sides, and the length of earlier energy conferences, the longer time frame appears more likely. We should make it clear that we are prepared to wait as long as necessary to get a good bill. Any sign of anxiety at the length of time taken by the Conference will play into Senator Long's hands and the others who want to move away from the National Energy Plan. Patience will pay rich dividends.

3. It is important that your posture on the Energy Conference be the same in private meetings as in public. Statements to individual members of Congress, or to any

individual outside the Administration should be totally consistent and equally firm. Little if anything remains confidential for long, and one story that you have discussed a compromise or deal with a particular Senator or other person could cause our support to crumble.

Congressman Ashley, Speaker O'Neill, Senator Long, and others will doubtless ask you for indications of your "bottom line" or the final shape which you want the legislation to achieve. It would be costly for you to vary your position, or discuss compromise with them, either in private or semi-private conversations.

Each of us will be able to provide a conduit or channel for compromises as the Conference progresses. It will be enormously helpful for us to be able to say, in response to a request for views or help, "While I don't know whether we can sell this to the President, it might be easier if the proposal were shaped slightly differently." This allows us to explore possible middle grounds, without having the weight of the Presidency thrown into it. You will then be in the posture of the final judge, the highest authority to which a decision can be appealed, rather than working directly as a day-to-day catalyst for resolution of issues.

Attached to this memorandum is a short opening statement which we recommend that you use at the leadership session tonight. It follows these basic strategy thrusts, and while permitting you to demonstrate familiarity with the proposals of both the House and Senate, keeps your own position very much on the high road. Again, we all strongly urge that you not engage in any discussion of when or where you would like to see the energy bill come out (except to urge that it be as close to the NEP as possible and practical) or where compromises are possible.

RECOMMENDED STATEMENT FOR LEADERSHIP MEETING

- o I am pleased that the Senate has now completed action on all parts of the energy legislation and that the Conference can now focus on all the critical issues. Both Houses of Congress have labored long and hard to reach this point, and I am hopeful that progress on energy legislation will continue.
- o I continue to place energy at the top of my list of priorities. I am willing and prepared to postpone my foreign trip should that be necessary to ensure that strong legislation is enacted.
- o I have not deviated from the positions which I recommended to the Congress in my April 20 Message, many of which have been adopted in the House-passed bill, and certain of which are contained in the Senate's legislation.
- o I will strongly support the provisions of the House-passed bill dealing with natural gas regulation, utility rate reform, coal conversion, the gas guzzler tax, and the crude oil equalization tax. I am pleased that the Senate has taken a step toward the oil and gas user tax. The Conference Committee on conservation has almost completed its work, and the results are encouraging.
- o The legislation which I put forward in April is balanced and fair with incentives for new production of oil and gas without windfall profits or unjust enrichment of producers. It does not raid the federal treasury, and it takes measured steps to ensure that we meet our conservation and conversion goals. I will continue to work toward legislation which meets these goals.
- o Jim Schlesinger will be representing me in any negotiations as they become necessary. He will be assisted by and working with other senior members of my Administration. We all stand ready to provide any assistance or help which we can as the Conference considers and resolves the differences between these bills.

- o I want to alert you that Thursday evening I will be making an address to the nation on energy. For the first time since April, the energy debate will be focussed on one entity rather than scattered throughout the Committees of Congress. I believe that the interest of the American people in this process will be of help to the Conference, and I believe it is important that we all be reminded of the severity of the problem we face if we do not act.
- o I continue to believe that the Conference will act responsibly and that together we can produce an acceptable national energy program.

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Frank Moore

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

cc: The Vice President

RE: H.R. 9262, CONGRESSIONAL
REITREMENT LEGISLATION

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr., Acting Director

SUBJECT: H.R. 9262, Congressional Retirement
Legislation, a Potentially Troublesome
Bill for You

Without debate or objection, H.R. 9262 passed the House September 23. It has been referred to the Senate Governmental Affairs Committee.

This bill would:

- a. Provide that Members of Congress who resign on or after October 1, 1978 and before January 3, 1979, may use their final pay to calculate their retirement annuity. Currently annuities of Members, as is the case generally in the Federal retirement system, are calculated on the basis of an average of their salary in the three highest years. This change would increase an eligible Member's annuity as much as \$3,426 a year to a total of \$42,574.
- b. Permit Government employees to obtain service credit for retirement purposes for employment by the Democratic or Republican Senatorial Campaign Committees and the Democratic or Republican National Congressional Committees. This provision has already passed the Senate on March 14, 1977, as S. 992.

The bill is objectionable on its merits, and if enacted, it would put you in a "no-win" position. Your approval of the bill might associate you in the public's mind with their negative attitude toward congressional pay and benefit increases. A veto, on the other hand, could hurt your relationships with Congress.

Public attitudes toward recent congressional pay and allowance increases can only be worsened by what would be viewed as a windfall benefit for Members who are retiring or who lose a re-election bid. The argument that the bill would induce older Members to leave and make room for younger blood is not persuasive. Moreover, Members' annuities are already calculated on a more favorable basis than Government officers and employees generally.

Extension of service credit to employees of Senate and House campaign committees violates a long-standing general policy that only service as a Government employee should be counted. Credit for non-Government service in this case could create a costly precedent.

The best outcome for this bill would be for it not to reach your desk. You might want to talk to Senator Byrd about it.

cc:
Off'l file - LRD
DO Recds
DO Chron
Mr. McIntyre
EAD/B
Mr. Harris
Ms. Schreiber
✓ Mr. Frey

LRD:JMFrey:dje 9-28-77

THE WHITE HOUSE
WASHINGTON

11-1-77

To Frank

What is status
of HR 9262?

JC

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Tim Kraft
Zbig Brzezinski

The attached was returned in the President's
outbox today and is forwarded to you for
appropriate handling.

Rick Hutcheson

RE: MEETING WITH SOVIET FOREIGN TRADE
MINISTER

~~SECRET ATTACHMENT~~

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-9-30-1-8

BY KS NARA DATE 2/21/13

~~Per: [unclear]~~
~~ESDN: NLC~~
~~BY [unclear] NARA DATE [unclear]~~ **KS**

Per; Rac Project

WASHINGTON BY KS NARA DATE 2/21/13

IMMEDIATE TURNAROUND

IYI

SCHULTZE

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

KING

WARREN

THE WHITE HOUSE
WASHINGTON

10/31/77

Mr. President:

Tim Kraft and Bob Strauss agree with Brzezinski that you should not agree to the meeting.

Kraft observes that Prime Minister Muldoon arrives on the 9th, and that you have a news conference on the 10th. Kraft also suggests that you should see principals, not trade ministers.

Rick

MEMORANDUM

THE PRESIDENT HAS SEEN.

7060 add on

SECRET

THE WHITE HOUSE
WASHINGTON

October 28, 1977

~~SECRET~~

*ok for
Brief meeting
with me. See
"Background"*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

ZB.

SUBJECT:

Meeting with Soviet Foreign Trade
Minister

In speaking to Gromyko you indicated that you might see Patolichev when he is next in the United States. That remark could be interpreted as a promise or merely as a polite gesture of hospitality.

In any case, we now have a formal request from Blumenthal and Kreps that such a meeting be held, though I doubt that it can be confined to 15 minutes, given the need for translation. *See Tab A.*

Let me note three pertinent points:

(1) When Pat Harris was recently in Moscow she was not received by Brezhnev; only Kosygin saw her.

(2) Your decision to see Patolichev will be inevitably interpreted as signaling a change in our trade policy towards the Soviet Union. Otherwise, there would not be much point in your seeing him. Is that the signal you want to send at this time, and is it likely to be helpful on the Hill?

(3) If you feel you are committed to seeing him, I suggest that in your conversation you make a point of noting higher Jewish emigration from the Soviet Union in recent months, and that this development and Patolichev's visit with you be somehow related in any discussion that you may have with Congressional leaders.

On balance, I would still be inclined against it because of the danger that it will be misinterpreted and we have not yet made enough progress in SALT or obtained enough of Soviet help on Syria or the PLO to justify sending out cozy signals.

SECRET

~~SECRET~~

DECLASSIFIED

Per, Rac Project

ESDN: NLC-126-9-30-1-8

BY *KS* NARA DATE *2/21/13*

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~ GDS

THE WHITE HOUSE SCHEDULE PROPOSAL

WASHINGTON

DATE: October 28, 1977

FROM: Zbigniew Brzezinski

VIA: Tim Kraft

MEETING: Call on you by Soviet Minister of Foreign Trade, Nikolay Semenovitch Patolichev.

DATE: Any time November 9 or until 3:00 p.m. on November 10.

PURPOSE: Indicate Presidential concern with US-Soviet Economic Relations.

FORMAT:

- Oval Office
- Soviet Ambassador Dobrynin, Secretary Blumenthal, Secretary Kreps, Dr. Brzezinski
- 15 minutes

CABINET PARTICIPATION: Secretary Blumenthal, Secretary Kreps

SPEECH MATERIAL: Briefing memorandum and suggested remarks

PRESS COVERAGE: Meeting to be announced, full press opportunity

STAFF: Dr. Zbigniew Brzezinski

RECOMMEND: See below

OPPOSED: None

PREVIOUS PARTICIPATION: Last Presidential meeting with a high level Soviet official was the series of meetings with Foreign Minister Gromyko in September.

BACKGROUND: The President told Gromyko last month that he would meet Patolichev when the Foreign Trade Minister is in the United States for the meeting of the US-Soviet Economic Council meeting in Los Angeles.

~~CONFIDENTIAL~~ GDS

~~CONFIDENTIAL~~

DECLASSIFIED

Per: Rac Project

ESDN: NLG-4-301-8

BY: JCS NARA DATE: 2/21/13

THE WHITE HOUSE

WASHINGTON

Date: October 28, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft - *in safe*
Bob Strauss

FOR INFORMATION:

Tentative concur

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: ~~SECRET~~ Brzezinski memo dated 10/28 re Meeting with Soviet Foreign Trade Minister

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 9:00 AM

DAY: Monday

DATE: October 31, 1977

ACTION REQUESTED:

☒ Your comments

Other:

~~SECRET ATTACHMENT~~

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

In Safe

DECLASSIFIED

Per: Rac Project

ESDN: NLC-129-9-30-1-8

BY *KS* NARA DATE *2/21/13*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

*Bill - call Strauss in office (Vince DeGhos)
Have Fitzgerald call back
Vince will call back today*

DECLASSIFIED

Per, Rac Project

THE WHITE HOUSE
WASHINGTON

ESDN; NLC-119-9-30-18

BY KS NARA, DATE 2/27/13

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input checked="" type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input checked="" type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

Date: October 28, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft
Bob Strauss

FOR INFORMATION:

~~SECRET~~

FROM: Rick Hutchison, Staff Secretary

SUBJECT: SECRET Brzezinski memo dated 10/28 re Meeting with Soviet Foreign Trade Minister

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 9:00 AM

DAY: Monday

DATE: October 31, 1977

DECLASSIFIED
Per, Rac Project
ESDN: NLC-129-9-30-1-8
BY KS NARA, DATE 2/21/13

ACTION REQUESTED:

☒ Your comments

Other:

~~SECRET ATTACHMENT~~

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

No time on either date for what
would unavoidably be a 30-60
minute meeting - P.M. Muldoon arrives
the 9th & we have a news conf. on
the 10th - The President should see
principals, not trade
ministers -

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

T.K.

2130

THE PRESIDENT HAS SEEN.
THE WHITE HOUSE
WASHINGTON

C
/

November 1, 1977

MEETING WITH DOUG FRASER

Tuesday, November 1, 1977
2:30 p.m. (20 minutes)
The Oval Office

From: Stu Eizenstat
Kitty Schirmer

Stu

I. PURPOSE

To discuss energy legislation with Mr. Fraser.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

- A. Background: The United Auto Workers Union has been more supportive of the National Energy Plan than any other single group, union or otherwise. With the exception of the gas guzzler tax which it opposed, the UAW has consistently supported all of the elements of your Plan. (During Senate consideration of the tax portion of the plan, however, the UAW withdrew support from the crude oil equalization tax, fearing that the revenues would be used for energy development rather than rebates. The UAW will support COET with full rebates in conference.)

We understand that Fraser is considering sending a letter to all conferees supporting the House version of the bill. Such a letter would be most helpful if focussed on: COET, utility rate reform, natural gas, and the oil and gas user tax.

- B. Participants: Doug Fraser, President of the UAW, Landon Butler, Frank Moore
- C. Press Plan: To be coordinated with the Press Office

Electrostatic Copy Made
for Preservation Purposes

III. TALKING POINTS

- Appreciate the consistent support which the UAW has given National Energy Legislation, and look forward to continuing to work with them during the Conference.
- You intend to hold firm in Conference in support of the provisions of the National Energy Plan. While you recognize that some accomodation is inevitable, you will look to the House conferees to suggest these avenues. Before making any final decisions or recommendations on these proposals you will consult with the UAW.
- In evaluating the final bill you will be looking for measures which protect consumers and prevent windfall profits to the energy companies. These must be fiscally responsible since energy legislation need not bust the federal budget and consume resources needed for other national priorities. Finally, the legislation must meet, at a minimum, the conservation and conversion savings which would be accomplished by the House bill.

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Midge Costanza

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: "ABZUG PRESENTS DOCUMENT
TO IMPROVE WOMEN'S LIVES"

THE WHITE HOUSE
WASHINGTON

October 28, 1977

To: Midge Costanza

From: Jim Free

For your information.

Electrostatic Copy Made
for Preservation Purposes

To
Midge
J

Abzug Presents Document To Improve Women's Lives

By Elizabeth Becker
Washington Post Staff Writer

Bella Abzug, the presiding officer of the nation's first federally funded convention to promote women's equality, yesterday presented a proposal for improving women's lives that will be the point of departure for the gathering's discussions.

She and Jean Stapleton, who plays television's classic housewife, Edith Bunker, presided over a press conference intended to promote enthusiasm for the far-reaching proposals.

The speakers stressed the organizers' concern about "ultra-right attempts to disrupt" the \$5 million conference, formally that of the National Commission on the Observance of International Women's Year, to be held in Houston next month.

"In some states there were disruption attempts by the ultra-right, like the Ku Klux Klan, who still want to keep their women home washing the sheets," said Abzug. "Or, like in Mississippi, where, to the shame of the nation, an all-white delegation was elected."

That Mississippi delegation will be among the 2,000 women chosen at state meetings to vote at the conference on the proposals and send them off to the President and Congress. About 140,000 proposals were heard during the state meetings, and the proposals unveiled yesterday represent some of their ideas.

But as often as the "ultra-right" came up for criticism by Abzug, its influence was not reflected in the comprehensive document that makes policy recommendations for 26 issues deemed to be women's concerns.

At the press conference, Stapleton offered that Edith Bunker would vote for the Equal Rights Amendment, "if she understood it."

In the most controversial areas, the working papers went against conservative opinion, supporting federally

funded abortions for the needy and the ERA. They also included a plea for phasing out nuclear weapons arsenals, support for a national health security program and a request that the President appoint a Cabinet-level women's department.

If the proposals were followed, lesbians would be protected from discrimination in employment, housing and other areas.

International affairs got the greatest amount of attention in the proposals, taking up four of the 38 pages with a list of recommendations to strengthen women's voices at the State Department and in international forums.

The degree of success the proposals will meet next month apparently rests on the support that "ultra-right" groups have drummed up among the elected state delegations. Abzug said the KKK, the John Birch Society, the Mormon Church and the Right to Life anti-abortion group were among the groups "attempting to subvert the conference."

"This is not just another women's meeting but a conference of serious deliberations that have taken a year of preparation," she said. "Those who wish to prevent this are really in violation of the law."

In 1976, International Women's Year, Congress appropriated the money to set up this conference, intended to allow women to design their own program to break down barriers to equality. But over the past year there have been major reversals in national policy regarding abortion and homosexuality. Abzug blamed these reversals on the elements she described as subversive.

"Houston can make a difference. We can show that the majority of people do not approve of Congress' actions," she said, referring to the removal of federal funds for abortions.

She and others said they thought accord could be reached easily on many issues, like proposals for more

women to be employed by the federal government, for federally funded child-care centers, for programs to help abused children and battered wives and for new laws to ensure equity in divorce settlements, with primary consideration for children.

Comparing this conference to the historic turn-of-the-century Seneca Falls, N.Y., convention that kicked off the campaign for women's right to vote, Abzug claimed that the program could "ensure that women and men ... indeed form a more perfect union."

Military Medical Benefits Sought for Former Spouses

Associated Press

Congress was asked yesterday to extend medical and dental services to spouses who are divorced from career military personnel after 20 years of marriage.

The request came from Reps. John Burton (D-Calif.) and G. William Whitehurst (R-Va.), each of whom has introduced legislation on the subject.

They were joined by Annette Klang Smail, of Novato, Calif., who represented a group known as Medical Equality for Dependents and the National Women's Political Caucus.

Smail said she is going through divorce proceedings to end a 28-year marriage to a retired serviceman.

Most spouses affected by the proposal would be women. Smail cited the problems they have and the high costs involved in trying to obtain private health insurance coverage once they reach middle age.

As to the costs the legislation would impose on the government, "the conclusion is there would be minimal and insignificant costs, while without it, in some cases the financial costs could skyrocket for the government if those involved had to go on the welfare rolls."

Carter Spurns GOP Wishes On Nominee

Baker, Rhodes Fume Over
Republican Choice at FEC

By Ron Sarro

Washington Star Staff Writer

President Carter has named a Republican who was not among the three candidates recommended by the two top GOP leaders in Congress to a six-year term on the Federal Election Commission.

Carter brushed aside the views of the GOP leadership by nominating Samuel D. Zagoria, a Republican who is currently director of the U.S. Conference of Mayors' Labor-Management Relations Service.

The President thus ended an eight-month dispute with Senate Republican Leader Howard Baker and House GOP Leader John J. Rhodes, over both the nomination and the broader question of how much Carter will consult with them.

His action yesterday left the clear impression that the Capitol Hill Republican leadership won't play a major role in the selection of GOP appointees to bipartisan commissions and boards, and Baker and Rhodes reportedly were steaming about it.

Rhodes said today that the nomination of Zagoria was a "breach of faith" because the President had promised to name Republican appointees from lists submitted by the leadership. Zagoria was not on the list, Rhodes noted, and he wasn't even notified that the President had submitted the name for the FEC post.

THERE WAS MORE to it than that. The White House selected Zagoria on philosophical grounds because he is considered a pro-labor Republican who would firmly back such FEC goals as full public disclosure of campaign funding, and particularly public financing of congressional elections.

None of the three candidates recommended by Rhodes and Baker met this qualification. Carter's nomination of Zagoria, generated in the White House with an assist from labor, made clear the President was unwilling to compromise on the point just to give the Republicans a say in the appointment.

Zagoria, 55, a New Jersey native, served for ten years as administrative assistant and campaign director for Sen. Clifford P. Case, R-N.J., and was a member of the National Labor Relations Board from 1965 until 1969.

A Nieman Fellow in 1953, he was a reporter with the Washington Post for 10 years before joining Case, and was formerly president of the Washington Newspaper Guild. If he is con-

INSIDE TODAY

See Zoned Section



"Bobby Deerfield" stars two of the best performers in films — Al Pacino and Marthe Keller — but it takes "a superhuman effort" to like it, says critic Tom Dowling. Page C-1.

An aide to a South Carolina congressman has been identified as one of the eight who died in the District movie theater fire Monday night. Page B-1.

Action Line	D-19
Amusements	C-4-6
Bridge	D-19
Classified	F-1-7
Crossword	D-19
Dear Abby	C-4
Editorial	A-18
Editorial Articles	A-19
Features	D-19
Finance	B-4-8
Food	D-1-18
Gobbladygook	A-12
Horoscope	C-3
Me	B-1-3
Obituaries	B-3
Portfolio	C-1-7
Sports	E-1-7
TV-Radio	C-7
Weather	B-2



OLIPHANT on A-19

Today's Comics
In Zoned Section
Lottery Number on B-2

Prince Charles Sees Space Shuttle Land In Final Glide Test

EDWARDS AIR FORCE BASE, Calif. (AP) — With Prince Charles of England in the gallery, the Space Shuttle Enterprise today passed its fifth and final test — a short, steep glide to a bumpy yet safe landing on a concrete desert runway.

As it touched down, the 93-ton shuttle rocked on the landing strip, hopped back into the air and then set down again safely.

Today's one-minute, 55-second flight was the last time the shuttle was to be dropped in flight by its Boeing 747 companion craft. The next flight for the shuttle will be the real thing, a trip into earth orbit and back early in 1979.

Today's test glide — shorter and

Women Seek Cabinet Post, ERA, Abortion

Activists Unveil Agenda
For Houston Conference

By Lyle Denniston

Washington Star Staff Writer

A meeting next month of women from all the states will be asked to endorse abortions, sex education, homosexuals' rights, rape law reform, and creation of a Women's Department in the government.

Proposals on those issues and a wide range of others are expected to produce deep controversy when they are taken up by delegates at the National Women's Conference, in Houston Nov. 18-21.

The proposed "plan of action" on women's rights was disclosed here today by leaders of the National Commission on the Observance of International Women's Year.

BELLA ABZUG, New York attorney and former member of Congress, is presiding officer. She discussed the plan at a press conference today, along with Jean Stapleton, a commission member who is the female star of the "All in the Family" TV show.

Set up by Congress with federal funding, the IWY and the Houston conference are to offer recommendations by next March to the President and Congress on ways to overcome barriers to women in society.

Many of the proposed recommendations emerged from 56 meetings held since February at the state and territory level. Several of those sessions were split deeply between liberals and conservatives, and a repeat of that is a certainty in Houston.

The newly released proposals, dealing with 26 topics, generally follow the most liberal positions on women's rights subjects.

Probably the most controversial is a simple, seven-word recommendation: "The Equal Rights Amendment should be ratified."

That involves the proposed constitutional amendment to guarantee legal equality of the sexes. It has been ratified by 35 states — three short of the number needed. It is considered to be in danger of falling short of ratification, and one issue almost sure to arise in Houston is whether the time for ratification should be extended beyond the present deadline of March 22, 1979.

IN THE "PLAN of action," ERA is the only item that includes with it an attempt to answer challenges by its opponents. The plan says that ERA will not force women to share bathrooms with men, will not permit homosexuals to get married, will have no impact on abortions, will not require school boys and girls to play "contact" sports, and will not force

Women with equal roles in military combat duty.

Star 10-26-77

WOMEN

Continued From A-1

Beyond ERA, the most controversial ideas probably will be these:

- ① Full endorsement of the Supreme Court's pro-abortion decisions of 1973.
- ② Federal financing of abortions for women on welfare.
- ③ Changing rape law so that rape is an easier crime to prove in court, and ensuring that more such cases will result in convictions with penalties based on the kind of force used.
- ④ Providing Social Security pensions for women who have been homemakers during their working lives.
- ⑤ Guaranteeing equal treatment of the spouses in awarding alimony after divorce.
- ⑥ Assuring homosexuals of freedom to engage in sexual conduct of their choosing in private, and assuring them full equality in access to jobs, housing, military service, child custody and federally financed programs.
- ⑦ Creation of a Women's Department in the President's Cabinet, and assigning it full responsibility for rooting out sexual bias in society.
- ⑧ Providing sex education in public schools and access to birth control materials for teen-agers.

THE PREAMBLE to the proposed "plan of action" declares that, for women, "our dream of equality is still withheld from us and millions of women still face a daily reality of discrimination, limited opportunities and economic hardship."

It adds: "From infancy throughout life, in personal and public relationships, in the family, in the schools, in every occupation and profession, too often we find our individuality, our capabilities, our earning powers diminished by discriminatory practices and outmoded ideas of what a woman is, what a woman can do, and what a woman must be."

The plan says that women "do not seek special privileges," but do demand "a full voice and role for women in determining the destiny of our world, our nation, our families and our individual lives."

AMONG THE OTHER ideas are:

- ① Allowing women to sue their husbands for "wife-beating" assaults.
- ② Federal financial aid for businesses run by women.
- ③ Major expansion of the federal role in providing day-care for children of working parents.
- ④ Widespread efforts to remove outdated descrip-

tions of the roles of the sexes from school books, teacher training programs and student guidance and counseling.

- ⑤ Equal representation for women at political conventions, and financial aid for women who run as convention delegates or political candidates.
- ⑥ Equal job opportunity for women on the staffs of Congress.
- ⑦ Equal representation of women in all management levels of federal government agencies.
- ⑧ Full coverage, in employee health benefit plans, for women workers who become pregnant.
- ⑨ Equality for women in worker pension plans.
- ⑩ Assurance of access to health insurance for unwed mothers and for children born to an unmarried parent.
- ⑪ More job opportunities for women on welfare, and a guaranteed minimum income for all persons in society.

FEC

Continued From A-1

THE DISPUTE between the President and Rhodes and Baker started soon after the three met in the White House in February to discuss the handling of Republican vacancies on boards and commissions, and particularly the FEC, a key policy making body.

The Republican leaders recommended James F. Schoener, minority counsel on the Senate Rules Committee, and Robert P. Visser, an attorney who was counsel to the President Ford Committee, as candidates for the FEC vacancy. Carter found them unacceptable because of their opposition to public financing of congressional elections.

In May, Carter wrote Rhodes and Baker and said he wanted a Republican nominee who favored the goals of the FEC, but the two snapped back that such a candidate would be out of the mainstream of Republican ideology and accused Carter of imposing "additional conditions" on Republican nominations.

Rhodes and Baker were then informed the President was unhappy with their attitude and was seriously considering the nomination of Zagoria. But the White House gave Rhodes and Baker one more chance.

SO IN JULY, the Republican leaders asked Carter to consider their third candidate, Charlotte T. Reid, former GOP congresswoman from Illinois and a member of the Federal Communications Commission from 1971 until 1976. But Carter rejected her on philosophical grounds, too.

GAS HE

1-DAY
INSTALLATION \$1

783-6100

BANK FINANCING OR PA
ON YOUR GAS BILL

JOHN G

PLUMBING HEATING

ESTAB

627 F St. N.W.

Armstrong

Designer S

SPECIAL
SALE

only 10⁹⁹ SO. YD

Reg. \$15.99

Installation Extra

Designer Solarian, stunning design
D. Solarian. Armstrong factory t
floor coverings discounted!
Regular & Studio Solari
dial \$6.66 Sq. Yd. Phone
DO-IT-YOURSELF.

FREE ESTIMATE

CLOVERLY FLC

384-0937

You'll always save
more on what
you're looking for

Save up to 57% on Brand Name
generic prescriptions.

66 Dart is the home of brand
name generic prescriptions, filled
at the same prices others charge
for non-brand name generics.

Savings up to
57%. Let Dart
fill your next
prescription. 99

Home of Brand Name Prescriptions

Harold H. Hart
President, Dart Drug



October 5, 1977

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

I am enclosing a copy of a news release from the prominent spokesman for the National Commission on the Observance of International Women's Year which denounces IWY and ERA opponents with hate tactics and religious bigotry not in keeping with your expressed goals in the areas of human rights.

The release by IWY Presiding Officer, Bella Abzug, dated September 15 of this year condemns the opposition as "radical right-wing groups." She stated, "During the past few weeks, the IWY Commission has been the target of attacks by the Ku Klux Klan, the John Birch Society, the Mormon Church, anti-ERA and anti-abortion groups." Then they are pointed out by her as "forces who are opposed to having women achieve... (full) equality."

In a nation continuously struggling for better Civil Rights and human relations, we can ill-afford divisive and bigoted attacks from official positions against those who disagree. Lumping the Mormon Church, the Birch Society, ERA and abortion opponents with the bigotry of the Ku Klux Klan is stupid and cannot be allowed to stand.

Mr. President, you should know that I represent an area with a large Mormon population which is politically conservative and opposed to the Equal Rights Amendment. Mormons take pride in having founded the Nation's first major, worldwide organization for the benefit of women and Mormon women were among the first in the United States to gain the right to vote.

The President
October 5, 1977
Page 2

I strongly urge that your office insist upon a proper retraction of Ms. Abzug's inflammatory remarks or issue an official reprimand. Certainly opposition to ERA or IWY cannot be directly interpreted as opposition to women's rights and mature people know this.

Sincerely yours,

GEORGE HANSEN
Member of Congress

GE/tls

NEWS



Congressman George Hansen

2nd District, Idaho

1125 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515 • TELE: 202-225-5531

FOR IMMEDIATE RELEASE

WASHINGTON, D. C. -- Congressman George Hansen today dispatched a special delivery letter to President Carter demanding an official reprimand of International Women's Year spokeswoman, Bella Abzug for publicly denouncing IWY opponents with hate tactics and religious bigotry.

Hansen noted that Abzug, a former New York Congresswoman and recent candidate for Mayor of New York City, has long been controversial but not appreciated for her ugly tirades. As Presiding Officer of the IWY Commission she is responsible to President Carter and has offices in the United States Department of State.

Abzug in a September 15 press release condemned IWY opponents as "radical right-wing groups." She stated, "During the past few weeks, the IWY Commission has been the target of attacks by the Ku Klux Klan, the John Birch Society, the Mormon Church, anti-ERA and anti-abortion groups...forces who are opposed to having women achieve...full equality."

"In a nation continuously struggling for better Civil Rights and human relations, we can ill-afford divisive and bigoted attacks from official positions against those who disagree," Hansen told the President. The Congressman said lumping the Mormon Church, the Birch Society, ERA and abortion opponents with the bigotry of the Ku Klux Klan is stupid and cannot be allowed to stand.

Hansen represents an area with a large Mormon population which is politically conservative and opposed to the Equal Rights Amendment. He told the President that Mormons take pride in having founded the Nation's first major organization for the benefit of women and Mormon women were among the first in the United States to gain the right to vote.

Hansen, who has filed a lawsuit against IWY and a number of federal agencies for illegal diversion of funds and ERA lobbying, said, "Opposition to ERA or IWY is not opposition to women's rights and mature people know this."

10/5/77

SUBCOMMITTEES:
MILITARY INSTALLATIONS
AND FACILITIES
MILITARY COMPENSATION
INVESTIGATIONS

HOUSE ADMINISTRATION
COMMITTEE

SUBCOMMITTEES:
OFFICE SYSTEMS
ACCOUNTS

Congress of the United States

House of Representatives

ROBERT E. BADHAM
40TH DISTRICT, CALIFORNIA

WASHINGTON OFFICE:
1108 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-5811

DISTRICT OFFICE:
1649 WESTCLIFF DRIVE
NEWPORT BEACH, CALIFORNIA 92660
(714) 631-0040

Mr. Warren M. Christopher
Deputy Secretary of State
Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Mr. Deputy Secretary:

In light of the revelations before the ad hoc hearings on the state conferences leading to the National Women's Conference under the auspices of the National Commission on the Observances of International Women's Year, the press release issued by your office on October 3 was of great interest.

In the press release, a review was presented of the background and affiliation of a large segment of the delegates selected to participate in the National Women's Conference to be held in Houston, November 18-21. Great stress was given to the diversity of background among the delegates as well as the high percentage of delegates representing various ethnic and racial minorities.

On page 5 of the press release, there were a number of references to the "radical right-wing." Specifically, the first paragraph on page 5 refers to "an onslaught of radical right-wing allegations" and "radical right-wing influence," and the fourth paragraph on page 5 refers to "extreme right wing tactics."

It was most interesting to note that the reference to "radical right-wing influence" in the first paragraph on page 5 is compared with a "concern about the issues that affect women and positive remedies to the discrimination women face in their daily lives."

We would be most interested in knowing the State Department's definition of "radical right-wing" and in knowing the State Department's criteria for labeling "tactics" as "extreme right wing." We would hope that you could provide us with

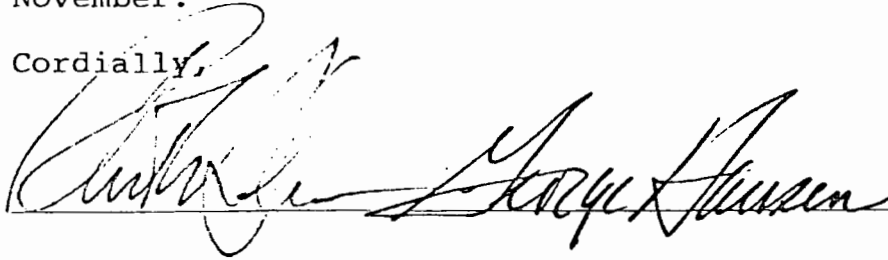
Mr. Warren Christopher
Deputy Secretary of State
Page 2

information on whatever guidelines the State Department may use in determining if the label "right-wing" should be applied to tactics, influence, or allegations.

In addition, we would be most interested in knowing if the State Department meant to imply approval of "a concern about the issues that affect women and ... positive remedies to the discrimination women face in their daily lives" and if such concerns and remedies are identifiably the opposite of "right wing" concerns or remedies.

In light of the immense public interest in the National Conference to be held November 18-21, we would hope you could provide a written reply to this letter before the 18th of November.

Cordially,



George Shuster

National Commission on the Observance of International Women's Year



For Immediate Release
Thursday, September 15, 1977

MAILING ADDRESS:
DIWY
U.S. DEPARTMENT OF STATE
WASHINGTON, D.C. 20520
GENERAL (202) 632-8886
PUBLIC INFORMATION 632-8978

OFFICE LOCATION:
COLUMBIA PLAZA OFFICE BUILDING
2401 E STREET N.W.
ROOM 3100
WASHINGTON, D.C.

✓ Washington, D.C. "The National Commission on IWY is mandated by law to find out what steps should be taken to achieve full equality for women. I believe a majority in this country want this to happen. However, there are forces who are opposed to having women achieve that equality. These people are trying to disrupt the work of this Commission and to stop the National Women's Conference from happening," declared Bella S. Abzug, presiding officer of the IWY Commission, at a Thursday planning session.

"The unofficial hearings of Senator Jesse Helms are for the purpose of providing another forum for attacking those who work for equality for women."

"The State women's meetings - which were open to the public were democratically conducted. Everyone was encouraged to participate including those who disagree with objectives of this legislation," Abzug pointed out.

-more-

✓
"Radical right-wing groups tried to disrupt the State meetings--and in some States they did prevent the election of delegates who truly reflect the diversity of citizens in those States. All delegates have been accredited nonetheless.

"There are those coming to Houston to disrupt the National Women's Conference. But we are going forward with the law of the land. We will continue to carry out our Congressional mandate...the mandate of eliminating barriers women face to full equality. And we will hold our meeting--the first national delegated meeting of women from all 50 States and Territories ever to be held in this country," Abzug said.

During the Thursday session, Commission members considered the escalation of vicious and personal attacks by radical right-wing groups on the IWY Commission and the State IWY meetings held throughout the summer.

Included in this consideration were the two days of unofficial hearings on the State meetings and the upcoming National Women's Conference. The unofficial hearings were held at the individual request of Senator Jesse Helms, a long time opponent of the IWY Commission.

The IWY Commission denounced the hearings as an abuse of Congressional privileges which has permitted one-sided attacks on this legally constituted federal commission.

It was reported to Commission members that witnesses were carefully chosen to make the series of unfounded accusations

which have been refuted by the Commission in the courts and elsewhere.

Shortly before the unofficial hearings began, the IWY Commission was finally invited to send one representative to respond in thirty minutes to two days of what the Commission beleived were biased allegations.

These hearings are a part of organized attacks on the Commission's efforts to resolve the vital issues of full equality for women in the areas of employment, education, health care, and the legal status of homemakers.

✓
Sept
15
During the past few weeks, the IWY Commission has been the target of attacks by the Ku Klux Klan, the John Birch Society, the Mormon Church, anti-ERA and anti-abortion groups. The Klan tactics were disclosed earlier this month in a Detroit News article (9-1-77) in which the Imperial Wizard of the Klan outlined "plans to help disrupt the upcoming IWY national conference in Houston."

The IWY meetings were called for in Public Law 94-167 passed by Congress in 1976. This law established the National Commission on IWY as the agent for convening 56 State meetings and a National Women's Conference. The State meetings were held this past summer to elect delegates to attend the National Women's Conference and to make recommendation on eliminating the barriers women face to full equality.

Resolutions adopted at State meetings will be the core of the National Plan of Action to be voted on at the national conference in Houston, Texas, November 18-21, 1977.

The Government Accounting Office (GAO) in response to a request from Senator Helms indicated in early August that the Commission was operating within its legal mandate in regard to its use of funds and activities. The GAO has pointed out that Public Law 94-167 only requires a mix of representatives from national, state and local agencies and groups which work to advance the rights of women and of members of the public with special emphasis on the representation of low income women, members of diverse racial, ethnic and religious groups and women of all ages. The statute nowhere requires conference members to represent different points of view on women's issues.

GAO also reported to Senator Helms that the executive order which created the Commission indicates that the Commission's role is to actively promote a National Observance of International Women's Year in the United States and to encourage cooperative activity that is appropriate in the field of women's rights and responsibilities.

Members of the IWY Commission were appointed by President Carter in March 1977. Included on the Commission are Presidents of the League of Women Voters, the Girl Scouts of the U.S.A., the National Organization for Women, the National Women's Political Caucus and the National Conference of Puerto Rican Women. Commission members also represent a wide spectrum of church, union, civil rights, chicana, black, political, jewish, cultural and education groups. (See attached listing)

DETROIT NEWS

AMERICA'S LARGEST EVENING CIRCULATION

Thursday, September 1, 1977 • 1

Klan's 'spies' plan to disrupt feminist parley

By BETTY J. BLAIR
News Staff Writer

The Ku Klux Klan has quietly infiltrated the women's movement and now plans to help disrupt the upcoming International Women's Year (IWY) national meetings in Houston.

The Klan tactics, which were disclosed yesterday by Robert Shelton, imperial wizard of the United Klans of America, Inc., strengthen earlier predictions of a stormy confrontation at the National Women's Conference among feminists and a coalition of anti-feminists, John Birch Society members and representatives from conservative church groups.

Shelton said the Klan began its infiltration several years ago because it opposes the women's movement as a haven for "all the misfits of society, including self-admitted lesbians." He said that hundreds of members of the Ladies Auxiliary of the Klans have been "working against the women's movement for the past three to four years. Our women also were present at most of the state International Women's Year meetings, opposing the women's libbers."

The Klan leader added that his group receives the use of "tap papers" money to help organize the state meeting that selected delegates to the national conference. If Congress can authorize \$5 million for that, he said, "then it should give \$5 million to the Klan to fight for segregation."

Shelton's disclosures of the organization's anti-feminist activities, which he admits have not been fully effective, did not catch women's groups entirely by surprise. Says Dorothy Haener, a national International Women's Year commission member:

"Shelton's statements verify what we have suspected for all summer during the state IWY meetings across the country—that the Klan was active in a number of those meetings. But we didn't suspect it until then."

Shelton, the 48-year-old, full-time president of the United Klans, who lives in Tuscaloosa, Ala., told the Detroit News in a telephone interview.

"I will be in the vicinity of the national IWY meetings in Houston (Nov. 18-21), and the Klans' attorneys will be there to advise our auxiliary members and sympathizers, even though we won't be able to attend the meeting. But some of our women members and sympathizers—he would not say how many—will be in the meetings as delegates to oppose what is going on. But our men also will be there to protect our women from all the militant lesbians who will be there. It's not safe for a decent woman to be there—some of our women were approached by lesbians at the state meetings."

"Our women are open with their sympathies in some states and secretive in others, but they're active in most states. It's been difficult to infiltrate some of the IWY's secret meetings. By the time of the Houston meeting, we'll have infiltrated enough to be somewhat effective. I'm afraid we got into this too late to be effective, but we'll keep working."

"While we are an independent organization, we work with any group with a Christian base, and we are working with some Christian groups—it's time they have come out and taken a stand against

the women's movement and the IWY meetings in particular. We are not working with the John Birch Society, though.

"These women's libbers are trying to destroy all the principles and heritage that I cherish."

The National Women's Conference organizers hope to bring women from all over the country to Houston to recommend ways of eliminating barriers to male and female equality. The conference

grew out of the Commission on the Observance of International Women's Year, which former President Ford created in 1975.

The commission's aim was to review progress of American women toward equal status with men and to eliminate inequities. Toward this end, Congress appropriated \$5 million to help organize meetings in every state for the election of delegates to the national conference. Final reports from the national event will be given to Congress.

If the stormy state-level meetings held this summer to send 1,440 voting delegates to the national conference are any portent, Houston will be the scene for a Texas-size collision as feminists and anti-feminists meet head on.

Since 35 state delegations voted for a resolution supporting the Equal Rights Amendment (ERA) resolution and abortion, feminists will dominate the conference. But the opposition, estimated at up to one-fourth of the conference delegates, no doubt will be as vocal as feminists during the state conferences.

International Women's Year opponents and other feminists who are worried about a confrontation and disruption in Houston. Paying Schaffly (leader of the opposition to feminist goals) is seeking a resurgence of the right by exploiting the women's movement," said a spokeswoman for the group. "Fundamentalist church groups also have been drawn into the movement, as evidenced at several state IWY meetings this summer."

Mrs. Schaffly of Alton, Ill., predicted the conference will "end the women's movement."

Anti-feminist states were elected to the conference in a number of states, including Alabama, Indiana, Mississippi, Missouri, Oklahoma and Utah. And, in many of the states in which feminist delegates were elected, the opposition was loud and disruptive.

1938 11/1/77

FDR - Fair Labor Stand Act
39 yrs ago - 6th Pres

Slight inc in fl rate

#2 B wages - ^{annually} low & middle
5th econ

Youth Employment

Min Wage Study Comm
Lab - Com - AF - H&W

Dent

(Minimum Wage Legislation
S. 5111)

THE WHITE HOUSE
WASHINGTON

1 November 1977

Bob:

Tim Kraft advises that his office has received no proposal for a labor-management meeting with the President.

Therefore, it does not appear that this memo needs to go to the President at this time.

Tim will check with you should he receive such a schedule request.

Rick Hutcheson

cc: Tim Kraft

THE WHITE HOUSE

WASHINGTON

October 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ *RL*
SUBJECT: Labor-Management Group
(Reg Jones, George Meany, John Dunlop, et al.)

It is my understanding that you may be requested to meet with this group here at the White House at an early date.

Before agreeing to such a request, please advise me so that I can apprise you, or anyone else preparing for this meeting, of the possible violations of the "Federal Advisory Committee Act" and its open meeting provisions.

Representatives of the CEA, OMB, Treasury and Justice have been meeting to try to resolve this problem prior to scheduling such a meeting with the Labor-Management people.

THE WHITE HOUSE

WASHINGTON

Date: October 25, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft

FOR INFORMATION:

Stu Eizenstat *nc*
Landon Butler *nc*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz memo dated 10/22/77 re Labor-Management Group

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Thursday

DATE: October 27, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 25, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft

FOR INFORMATION:

Stu Eizenstat
Landon Butler

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz memo dated 10/22/77 re Labor-Management Group

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Thursday

DATE: October 27, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☒ No comment.*Please note other comments below:***PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 25, 1977

MEMORANDUM

592

FOR ACTION:

Tim Kraft

FOR INFORMATION:

Stu Eizenstat
Landon Butler*XC Camp*
Johnston

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz memo dated 10/22/77 re Labor-Management Group

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Thursday

DATE: October 27, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

Please note other comments below:

~~X~~ No comment. *Stu Eizenstat*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 25, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft

FOR INFORMATION:

Stu Eizenstat
Landon Butler

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz memo dated 10/22/77 re Labor-Management Group

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Thursday

DATE: October 27, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

*Rick, we have no labor-mgt.
proposal for a mtg. in our
office — TK*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

October 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ *RL*
SUBJECT: Labor-Management Group
(Reg Jones, George Meany, John Dunlop, et al.)

It is my understanding that you may be requested to meet with this group here at the White House at an early date.

Before agreeing to such a request, please advise me so that I can apprise you, or anyone else preparing for this meeting, of the possible violations of the "Federal Advisory Committee Act" and its open meeting provisions.

Representatives of the CEA, OMB, Treasury and Justice have been meeting to try to resolve this problem prior to scheduling such a meeting with the Labor-Management people.

9:30 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 31, 1977

BILL SIGNING - MINIMUM WAGE

Tuesday, November 1, 1977

9:30 a.m. (15 Min.)

The Rose Garden (474 EOB if rain)

From: Frank Moore

I. PRESS PLAN

Open Press coverage

II. STATEMENT

Prepared by Jim Fallows

III. PARTICIPANTS

The President
The Vice President
Secretary Marshall

Senate

Claiborne Pell
Bill Hathaway
Robert Stafford
Jennings Randolph
Gaylord Nelson
Jacob Javits
Don Riegle
Harrison Williams

Electrostatic Copy Made
for Preservation Purposes

Senate Staff:

Steve Paradise, Senate Human Resources
Darryl Anderson, Senate Human Resources
Don Zimmerman, Senate Human Resources
John Rother, Senate Human Resources

House

Mario Biaggi
Mike Blouin
John Brademas
Phil Burton
William Clay
Baltasar Corrada

Dent

Ron Dellums
John Dent
William Ford
George Miller
Austin Murphy
Michael Myers
Paul Simon
Leo Zeferetti

House Staff

Robert Vagley, House Education and Labor Committee
Julie Dominick, House Education and Labor Committee
Don Baker, House Education and Labor Committee
Cindy Fox, House Education and Labor Committee
David Mead, House Legislative Counsel

Department of Labor

Don Elisburg
Paul Jensen
Carin Clauss
Nik Edes
Xavier M. Vela
Adrienne Fields
Donald Shire
James Leonard
Ronald Whitting
Irving Wolkow
John Karlin

Other

George Meany, President, AFL-CIO
Lane Kirkland, AFL-CIO
Andy Biemiller, AFL-CIO
George Hardy, President, Service Employees International
William Wynn, President, Retail Clerks International
Jay Turner, International Union of Operating Engineers
Harry Poole, President, Amalgamated Meat Cutters
Edward Hanley, Hotel and Restaurant Employees Union
Clarence Mitchell, NAACP
Dorothy Height, National Council of Negro Women
Eunice Fiorito, American Coalition of Citizens with Disabilities
Vernon Jordan, National Urban League
Coretta King, Martin Luther King Center for Social Change
Gene Lynch, Frontlash
Kathleen O'Reilly, Consumer Federation of America
Tom Donahue, AFL-CIO
Vic Kamber, Labor Law Reform Task Force, AFL-CIO
Rudy Oswald, AFL-CIO

Doris Hardesty, AFL-CIO
Clara Schloss, AFL-CIO
Ken Meiklejon, AFL-CIO
Ken Young, AFL-CIO
Phil McKeaney, American Federation of Teachers
Chris Gersten, International Union of Operating Engineers
Lou Gerber, Communications Workers of America
Evelyn Dubrow, International Ladies' Garment Workers Union
Pam Freer, International Ladies' Garment Workers Union
Bill DuChessi, Amalgamated Clothing and Textile Workers
Liz Smith, Amalgamated Clothing and Textile Workers Union
Arnold Mayer, Amalgamated Meat Cutters and Butcher Workmen
Leon Schachter, Amalgamated Meat Cutters
Marvin Caplan, Industrial Union Department
Bob Juliano, Hotel and Restaurant Employees
Pete McGuire, Hotel and Restaurant Employees
Howard Pastor, United Auto Workers
Dick Murphy, Service Employees International
Mike Tiner, Retail Clerks International Association
Al Montoya, Labor Council for Latin-American Advancement
Sister Maureen Kelleher, Network
Maria Reyes, COSSMHO
Frank Jackalone, National Student Lobby
Andre Burnett, National Student Association
Arnold Aaronson, Leadership Conference on Civil Rights
Gloria Stark, National Education Association
Betty Taylor, Jewish Labor Committee
Dave Brody, B'Nai Brith
Ann Harrison Clark, National Consumer League
Sandra Willett, National Consumer League
Kit Miller, Women Lobby
Ellen Vollinger, Americans for Democratic Action
Saul Rosen, American Veterans Committee
Bayard Rustin, A. Phillip Randolph Institute
Eleanor Smeal, National Organization for Women
Gloria Steinem, Ms. Magazine
Carmen Votaw, National Conference of Puerto Rican Women
Roy Wilkins, NAACP
Douglas Fraser, United Auto Workers

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Bob Linder

The attached Enrolled Bill was signed by the President last night and is forwarded to you for appropriate handling.

Rick Hutcheson

RE: H.R. 7797 - FOREIGN ASSISTANCE AND
RELATED PROGRAMS APPROPRIATION ACT

IMMEDIATE ACTION

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

October 31, 1977

*Stu - Be sure that
the AG approves
wording of letter
JC*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Enrolled Bill H.R. 7797 - Foreign
Assistance and Related Programs
Appropriation Act, 1978

It is important that this bill be signed today because the current, continuing resolution authority expires at midnight tonight.

THE BILL

The enrolled bill appropriates for fiscal year 1978 a total of \$6,772,654,000 for foreign assistance and related programs. This includes a reduction of \$829 million from your request for \$7,601 million. The bill reduces U. S. support for international financial institutions by \$690.6 million and cuts \$300 million in funds for Portugal. The effect of congressional action on your requests will be to reduce outlays by \$143 million in 1978, by \$246 million in 1979, by \$144 million in 1980, and by \$20 million in 1981. The attached OMB memo provides a detailed analysis of congressional action on this bill.

A major concern is Section 115 of the enrolled bill which permits transfers between accounts only if prior, written approval is obtained from House and Senate Appropriations Committees. The Justice Department, in the opinion attached at Tab B, concludes that Section 115 is unconstitutional. Along with OMB, I recommend that you send to the Secretary of State the attached (Tab C) letter instructing him to regard Section 115 as a "report and wait" provision.

Finally, the bill contains a number of provisions that continue the trend toward detailed congressional control, and less Presidential flexibility, over implementation of the foreign aid program.

ARGUMENTS FOR SIGNING

The bill complies substantially with your funding request and the principal conference issue (the ability of the World Bank and other international financial institutions to accept U.S. funds) was resolved in the Administration's favor.

ARGUMENTS FOR VETO

The bill contains three troublesome provisions: (1) Section 115 which we feel is unconstitutional; (2) congressional restrictions on your flexibility to carry out U. S. foreign aid programs; and (3) arrearages in U. S. funding pledges for international financial institutions caused by the funding reduction. As troublesome as these provisions are, I do not feel they warrant a veto.

CONGRESSIONAL VOTES ON CONFERENCE REPORT

House: 229-195
Senate: 53-33

AGENCY AND STAFF RECOMMENDATIONS

OMB, AID and other affected agencies recommend your approval. OMB, AID and Justice recommend that you send the attached letter on Section 115 to the Secretary of State. NSC concurs but is concerned with the trend toward congressional control over foreign aid programs. NSC also feels that the arrearages on U.S. formal funding pledges to international financial institutions caused by the \$690.6 million funding reduction is a major problem which must be addressed effectively in the next session of Congress. NSC, Bob Lipshutz, Frank Moore and I recommend that you sign the bill and send the attached letter to the Secretary of State.

DECISION

_____ Sign H.R. 7797 and issue signing statement.
_____ Sign H.R. 7797 and send letter. (recommended)
_____ Sign H.R. 7797 and do not send letter.
_____ Veto H.R. 7797

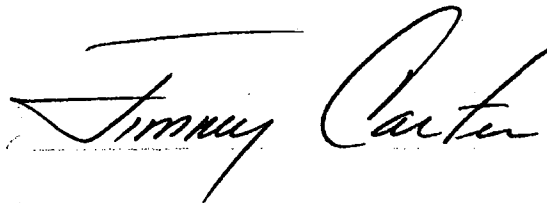
THE WHITE HOUSE

WASHINGTON

To Secretary Cyrus Vance

I have serious reservations concerning Section 115 of the Foreign Assistance and Related Programs Appropriation Act of 1977, which prohibits executive transfers of funds between accounts as authorized by Sections 109 and 610 of the Foreign Assistance Act of 1961, as amended, without the prior, written approval of the appropriations committees of both Houses of Congress. I am informed by the Attorney General that provisions such as Section 115 are unconstitutional. They permit Congress to play an unauthorized role in the execution of the law in violation of Art. II, Sec. 3 of the Constitution and permit Congress to control the exercise of discretion by means short of legislation subject to the veto power of the President in violation of Art. I, Sec. 7. With regard to Section 115, you will assure that the appropriations committees are informed of proposed transfers under the authorities of Secs. 109 and 610 of the Foreign Assistance Act. After so informing them, you will entertain, for a reasonable but limited period of time, and carefully consider, any comments the committees or other members of Congress may offer. You should, however, implement those transfers under Section 109 or propose to me those transfers under Section 610 of the Foreign Assistance Act that are, in your view, the best ones to carry out the purposes of the bill.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

The Honorable Cyrus R. Vance
Secretary of State
Washington, D.C. 20520

cc:

The Secretary of Defense
The Administrator, Agency for International Development

THE PRESIDENT'S SCHEDULE

Tuesday - November 1, 1977

8:15 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

9:00 Senator Alan Cranston. (Mr. Frank Moore).
(10 min.) The Oval Office.

9:30 Signing Ceremony for the Minimum
(15 min.) Wage Bill. (Mr. Frank Moore).
The Rose Garden.

9:55 Secretary Ray Marshall. (Mr. Jack Watson).
(5 min.) The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.

11:30 Vice President Walter F. Mondale,
Admiral Stansfield Turner, and Dr. Zbigniew
Brzezinski - The Oval Office.

2:00 Mr. James McIntyre - The Oval Office.
(20 min.)

2:30 Mr. Douglas Fraser, President, International
(20 min.) Union, UAW. (Mr. Landon Butler) - The Oval
Office.

7:30 Supper with the Congressional Leadership.
(Mr. Frank Moore) - First Floor Family
Dining Room.

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Bob Lipshutz

The attached E.O. on Grants of Executive Clemency was returned in the President's outbox today and was given to Bob Linder for appropriate handling. This copy is given to you for your information.

Rick Hutcheson

cc: Bob Linder

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
✓	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

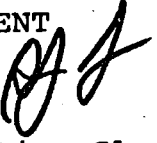
	KRAFT
✓	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

October 31, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ 

SUBJECT: Grants of Executive Clemency

The attached summary provides additional information you requested on Wednesday concerning the sixty-six cases favorably recommended by the Justice Department for Executive clemency. As indicated earlier, we concur with Justice's recommendations.

A master warrant, which would effect a grant of Executive clemency in each of these cases, is supplied for your signature.

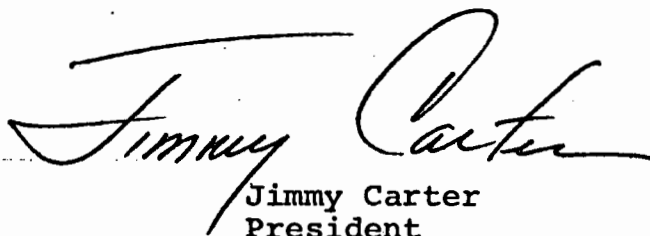
I hereby designate, direct and empower the Deputy Attorney General, as my representative, to sign each grant of clemency to the persons named herein. The Deputy Attorney General shall declare that his action is the act of the President, being performed at my direction.

IN TESTIMONY WHEREOF I have hereunto signed my name and caused the seal of the Department of Justice to be affixed.

DONE at the City of Washington this

day of

in the year of our Lord One Thousand
Nine Hundred and Seventy-seventh and
the Independence of the United States
the Two Hundred and Second.



Jimmy Carter
President

I certify that there are sixty-six applications for executive clemency granted herein.

Deputy Attorney General

THE PRESIDENT HAS SEEN.

9:00 AM

THE WHITE HOUSE
WASHINGTON

October 31, 1977

MEETING WITH SENATOR ALAN CRANSTON

Tuesday, November 1, 1977
9:00 a.m. (15 minutes)
Oval Office

From: Frank Moore *F.M.*

*Cranston =
FNMA
SU Trade - Jackson*

I. PURPOSE

To discuss various issues.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: The Senator requested this meeting.

B. Participants: The President
Senator Alan Cranston
Frank Moore

C. Press Plan: White House Photo.

III. TALKING POINTS

- A. It is expected that the Senator will bring up SALT and the Middle East situation.
- B. We also expect the Senator to discuss with you his choice for Chairman of the Federal National Mortgage Association (Fannie Mae). Ray Lapin, former President and Chairman of Fannie Mae, was replaced by Oakley Hunter. Lapin is now still serving on the Board, but Cranston would like to see him become Chairman again.

Electrostatic Copy Made
for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

October 31, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *JF*

SUBJECT: Minimum Wage Bill Signing

Jerry Doolittle has prepared the following talking points for the November 1 signing of the minimum wage bill:

1. President Roosevelt signed the original Fair Labor Standards Act 39 years ago, and you are the sixth President to approve major amendments strengthening that act.
2. Substandard wages and working conditions victimize workers and their families as much as in 1938. And these are still the persons -- often disadvantaged members of minorities -- who have the weakest defenses against higher living costs. This legislation helps those who so often have no one to speak for them with an effective voice.
3. In this case, that effective voice has been supplied by labor, civil rights, church and women's groups, and consumer organizations. You are pleased to join them in their support of these amendments to the basic labor standards law.
4. Under the amendments, wages for some 4.5 million Americans will rise to \$2.65 an hour January 1, 1978. The rate goes up to \$2.90 in 1979, to \$3.10 in 1980, and to \$3.35 in 1981. These increases will add about \$2 billion

yearly to the incomes of low-wage earners.

5. This additional income will not only benefit the recipients. The effects will be felt in the whole economy, as the purchasing power of these consumers goes up.

6. Your administration is concerned with unemployment as well as with ensuring every worker a decent wage. To this end you have recently proposed comprehensive welfare reform legislation and measures to stimulate the economy. And the recently-enacted Youth Employment and Demonstration Projects Act of 1977 will help lower the level of unemployment among teenagers.

#

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

INFORMATION

1 November 1977

TO: THE PRESIDENT
FROM: RICK HUTCHESON *RH*
SUBJECT: Memos Not Submitted

1. CHARLIE SCHULTZE sent you a copy of a 'rip-snorting' speech which Sen. Humphrey has agreed to make defending the Administration against Arthur Burns' attack of last week. (The speech was drafted by CEA Member Lyle Gramley.)
2. GOV. RICHARD KNEIP sent you a letter, via Jack Watson, regarding his request to serve you as an Ambassador. Sent to Hamilton.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

1 November 1977

Hamilton:

The President has been advised
that the attached letter
from Gov. Kneip has been
forwarded to you for action.

Rick

THE WHITE HOUSE

WASHINGTON

October 31, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Jack Watson *Jack*

SUBJECT:

GOVERNOR RICHARD KNEIP

Governor Dick Kneip came by today and asked if I would deliver the attached personal letter from him to you; I said that I would be happy to do so. Dick was in town with several other Governors to testify in favor of your welfare reform plan.

If there is anything you would like for me to do regarding Dick's request, please let me know. As I am sure you know, Dick is a profoundly decent man and is devoted to you.

Attachment



STATE OF SOUTH DAKOTA

EXECUTIVE OFFICE

PIERRE

57501

RICHARD F. KNEIP
GOVERNOR

October 28, 1977

The Honorable Jimmy Carter
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Reference our meeting aboard Air Force One on October 23rd concerning my request to serve you in an Ambassadorial capacity. I respectfully transmit this letter, as requested by you at that meeting, so that you might know more fully the reasons for my request and be given additional information pertaining thereto.

Admittedly, I have long held a personal desire to serve in the requested capacity. I think it stems in great part from my business background wherein I was constantly before the public dealing directly with so many people. I have always believed that one of the great joys of life is to meet new people and to learn to know them. A love for and understanding of people and their needs has been a key reason for my involvement in both the business and political life of South Dakota.

Certainly that feeling led to my involvement in political life -- and to this opportunity of approaching you as President of the United States to consider my offer of service and the challenge I believe it contains. As I said to you aboard Air Force One, you will have my deepest loyalty at all times in this or any other association with you that I might be privileged to have.

Mr. President, I mentioned to you in our meeting that the decision to approach you and seek an appointment as Ambassador was a family decision. This is true just as the decision not to seek further elective office was a family decision. Nancy and I are tremendously proud of our eight sons and the close family relationship that we hold. Two of our eight sons are presently attending college, and the third one will join them next year. In my opinion a happy and successful family life is conducive to success in all other endeavors.

Aside from the biographical information (enclosed), I think it appropriate to share with you some political thoughts I have in regards to this possible appointment. It was in June

The Honorable Jimmy Carter
October 28, 1977
Page Two

of this year that I announced my intentions not to seek a fourth term as Governor, or to bid for the United States Senate seat presently held and being vacated by Senator Abourezk. Soon thereafter a rash of announcements from both political parties began to take hold, and as you can imagine there will be no lack of candidates for either office. My Lt. Governor, Harvey Wollman, has of course expressed his desire to seek the Governorship and in my opinion will need all the help possible. With that in mind I mentioned to you in our meeting that given the chance to serve as Ambassador there could be great political benefit given to the Democratic party in South Dakota if the Lt. Governor were able to become Governor well in advance of the next election. As you undoubtedly know, Mr. President I am only the fourth Democratic Governor in the history of this state, and you can be sure that every possible effort will be made by the Republican party to regain this office. Again, it was my feeling in the "political timing sense" that should an appointment of myself be acceptable to you it might best be available before the end of this coming January. This would allow a new Democratic Governor to challenge the heavy Republican majority of the Legislature to move on major issues affecting our state and thereby greatly enhance Democratic chances in November of 1978. Please know that this particular information is being shared with you because of my deep love, respect and obligation that I feel towards the Democratic party.

Lastly, Mr. President, you asked during our conversation if I had any particular desire as to where I might best serve you. It would be nice of course to be given that opportunity, but with the thought in mind that my principal role and responsibility as an Ambassador would be to serve you and our country in a manner as directed by you and your administration, I would naturally defer to your judgement.

I would offer the following information only in the sense that it might be helpful to you. I am principally of Luxembourg descent with a strong smattering of German and Norwegian blood ties. I lived in Germany for 42 months as a member of the United States Air Force and travelled extensively throughout much of Europe. As Governor, I have also travelled to Russia, Japan, Israel, Greece and back again to Germany.

Mr. President, I am greatly appreciative of the time given me to make this request personally. I know of the great demands on your office and I think I speak for all the Governors that were privileged to meet with you in Denver and Los Angeles when I say how honored we were to be in your presence, and how proud we are of you as President.

Please know that I would serve you to the very best of my ability.

Respectfully,



RICHARD F. KNEIP
GOVERNOR

RFK: pdg

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

October 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze CLS

Subject: Arthur Burns' recent speech

(EYES ONLY)

Hubert Humphrey has agreed to make a speech defending the Administration against Arthur Burns' artfully drafted attack last week.

We furnished Hubert two rough drafts. One, a relatively staid mild speech, and the other (attached) a real rip-snorter. It was drafted by Council member, Lyle Gramley. It's fun to read, and I thought you might enjoy it.

Arthur Burns, the Chairman of the Federal Reserve Board, recently took out his axe, whetted it to a fine edge, and went after the President and the Congress for following what he regards as shortsighted and counterproductive economic policies.

I have a great affection for Dr. Burns. He is a sincere and dedicated man. He wants what is right for our country as much as I do, and as much as the President does. He is a man of deep conviction. But his analysis of what ails our economy is seriously defective, and his conclusions about what we should do to cure these ailments are misleading and wrong. And I think it is time someone stood up and said so.

One of Dr. Burn's complaints is that the Carter Administration is trying to solve too many problems at once. The business and financial community, he believes, has become confused and irritated because our President wants to move forward on the energy front, to keep our social security system from going bankrupt, to clean up the welfare mess, and to make our tax system fairer and more equitable.

The problems the President and the Congress are coming to grips with are not problems that the current Administration invented. They are problems inherited from the past. They are not Republican or Democratic problems; they are bipartisan issues of critical importance to our economy and our people.

In this first year of President Carter's term we are importing almost 9 million barrels of oil a day and it is costing us 45 billion dollars a year. The price of oil is four times what it had been in the fall of 1973.

When this Administration took up the reins of government, our social security system was in deep trouble. Every day we delay in adopting measures to bolster the financing of our social security system puts us one day closer to the time when the social security trust funds will be exhausted and unable to maintain the benefit payments on which millions of older Americans depend for their livelihood.

When the President took office last January, he inherited a welfare system in which there was a vast amount of waste and cheating, and an income tax system so complicated that virtually no one understands it and so unfair that billions of dollars of income are escaping taxation because of the loopholes that have so vastly increased in number over the past decade.

Of course it is difficult and time consuming to find solutions to problems of such enormity and complexity. There is bound to be uncertainty while Congress debates the issues, consider the alternatives, and finds a consensus that represents the will of the people and the best interests of our nation.

But what is the alternative? Does Dr. Burns really believe it is better to leave such economic ailments unattended? Should we leave hanging over the heads of American businessmen the prospect that the energy disaster of the mid-1970s might be repeated because America is unprepared? Should we expose our

citizens to the threat that a year or two from now they may not be able to heat their homes or obtain enough gasoline to drive to work? Should America's workers and retired citizens have to live with the grim realization that a crisis in the Social Security System looms ahead, and without a clue as to what will be done? Should we tell the worker whose paycheck is being eaten up by rising taxes that we can't afford to establish a rational welfare system or to move ahead to make our tax system fairer -- because doing so is too complicated and too disruptive?

This great nation of ours was not built by timid people. The way to gain consumer and business confidence is not to shut our eyes to festering ills, to avoid tackling controversial issues, to live from one day to the next hoping that serious national problems will go away. That course of action might buy a few months of calm -- but the inevitable storm that followed would engulf us all.

The President has not sought the easy way out. The easy way would have been to temporize -- to postpone for the next Administration the search for lasting solutions. I applaud President Carter for his boldness and his foresightedness. The course of action he has chosen has generated a great debate on issues of major importance to our nation's future. The uncertainty of the policymaking process in dealing with issues of sweeping importance is uncomfortable, but it is a small price to pay for the long-run health of the economy. And the uncertainty that has been created will soon

be resolved. Congress is working steadily towards agreement in this session on energy and social security legislation, and it can then turn to sorely-needed reform of our tax and welfare systems.

Dr. Burns also believes that our economy is suffering from the effects of inflation, and what it has done to business profits and planning for the future. I agree with him. I know from personal experience that inflation can destroy the hopes and dreams of a small businessman. I also know what inflation can do to the real value of the savings that workers put away for their retirement and what parents accumulate for the education of their children. Perhaps we need to refresh our minds, however, on what has happened to the pace of inflation over the past ten years.

When Richard Nixon took the office of the Presidency in January 1968, the rate of inflation was around ~~4~~ 4 percent. Two years later, he appointed one of the great inflation-fighters of all time -- Arthur Burns -- to run monetary policy at the Federal Reserve. Mr. Nixon must have hoped that, with Dr. Burns at the helm of the money-creating machine in our country, the problem of inflation would soon be brought under control.

During Dr. Burn's tenure at the Federal Reserve, our inflation problem has not gotten better; on the contrary, it has become much worse. By 1974, prices were rising at an astronomical rate. Inflation had gotten completely out of control.

The aggravation of inflation in 1973 and 1974 that stemmed from rising prices of food and energy items was not, of course, the fault of the Federal Reserve. Nor was it the kind of inflation that our monetary and fiscal policies could readily cure.

Nevertheless, the Nixon-Ford Administration and the Federal Reserve tried to use conventional tools to solve unconventional problems. They slammed on the monetary and fiscal brakes, and the consequence was the deepest recession of the entire postwar period.

The results of that recession were staggering. The unemployment rate rose to 9 percent -- the highest since 1941. By early 1975, with more of our industrial capacity idle than at any time in the postwar period, business profits had dropped to a dangerously low level.

Following the cataclysmic economic events of the early 1970's, it is hardly any wonder that America's businessmen are still nervous and uncertain about the future, and that business investment has not developed the dynamism it must have if we are to regain prosperity in our country.

Confidence in the long-run health of the economy is a critical ingredient in businessmen's decisions to invest. That confidence cannot be purchased with economic policies that inhibit growth, produce high unemployment and force a large part of our industrial capacity to stand idle. Chairman Burns has observed that the Federal Reserve must strike a "delicate balance between too much and too little money." A similar balance must also be struck between too much and too little stimulus coming from the Federal budget. Deficits in today's underemployed economy are not inflationary. They must, of course, decline as the economy returns to full employment. The President and my colleagues in this Congress are committed to policies that will make that possible.

I believe the President and the Congress share Dr. Burn's concern for providing adequate incentives for business investment. My colleague, Senator Percy, and I have cosponsored a bill in this session of Congress to establish a national investment policy. The Administration has given its support to that bill, and I hope the Congress will enact it. I have noted with great satisfaction that the President places the need to improve capital formation high on his list of priorities to be achieved in his tax reform proposals.

If the Federal Reserve is deeply concerned about the slow pace of business investment, it seems incongruous that it began to pursue monetary policies that pushed up interest rates very rapidly at precisely the time when economic growth was beginning to falter. The decision by the Federal Reserve Board sent the stock market into a nosedive and raised the cost of business financing. How much of our current economic malaise stems from this source I do not know, and I don't suppose anyone does. But it can hardly have been a negligible factor.

I am not unsympathetic with the problems that Dr. Burns and the Federal Reserve have been facing. The money supply has been growing at an uncomfortably rapid pace in recent months. But does that portend an inflationary boom that must be fought with steadily rising interest rates? If so, what is the evidence for this? The principal economic indicators, as I read them, have been moving in the opposite direction.

Dr. Burn's predecessor educated me to the view that the Federal Reserve was supposed to "lean against the economic winds". I have always understood that phrase to mean that the Federal Reserve should worry about too fast a pace of expansion in money and credit when the economy was booming and inflationary pressures were on the horizon -- not when economic growth was slowing and the rate of inflation receding, as has been the case this summer. If the Federal Reserve has a different view of what its responsibilities are, I hope Dr. Burns will come to the Congress and tell us forthrightly what that view is.

Chairman Burns urges that we take a long range view of our economic problems. I couldn't agree with him any more than I do. But I suggest that the long view requires us to stand up and tackle difficult problems head-on, even at the cost of some immediate uncertainty and conflict. And while I fully understand the many and complex considerations that must be balanced in setting the monetary dials, I suggest that the long view requires the Federal Reserve to base its monetary policies on the real needs of the economy -- not to slavishly pursue monetary growth targets that may be inadequate in today's economy.

THE WHITE HOUSE
WASHINGTON

Nov. 2, 1977

The Vice President
Stu Eizenstat
Hamilton Jordan
Frank Moore
Jody Powell
Jack Watson

The attached is forwarded to
you for your information.

Rick Hutcheson

RE: TODAY'S PRESS REPORTS ON
MONETARY POLICY

THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

November 1, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze ^{CLS}
SUBJECT: Today's Press Reports on Monetary Policy

The financial newspapers were full of stories this morning that the Federal Reserve was tightening up another notch on monetary policy. Moreover, everyone seemed surprised at the speed and vigor with which the Fed was doing so.

Background

The Fed increases the money supply by buying government securities on the open market. The sellers deposit the proceeds in their banks; bank reserves grow; the banks lend or invest the new reserves and the money supply grows. The Fed decreases the money supply by selling government securities and the process is reversed.

From day to day and week to week the Fed gauges what it is doing by watching the "federal funds rate," which is the rate banks charge as they lend each other temporarily idle reserves. In general, when the Fed wants to tighten up and reduce the growth of the money supply, it will let the funds rate rise, before intervening to supply additional reserves to the banking system. If the funds rate, therefore, rises significantly before the Fed intervenes, market specialists have good reason to believe the Fed is trying to slow the growth in the money supply and tighten financial markets. The scenario is reversed when they want to increase the growth in the money supply and ease financial conditions.

Yesterday's actions

On Monday the Fed, through its open market purchases and sales of government securities, let the funds rate rise from the current target of about 6-1/2 percent to a level well above 6-5/8 percent. This is a large move and was interpreted as a major tightening. Moreover, it was done at a time when the Treasury was floating some new securities; normally the Fed doesn't tighten during such a period.

Sources at the Federal Reserve Board (not Burns), however, have told us (a) that the target rate for the Federal funds rate has been raised, but only a little, and (b) that yesterday's actions by the Federal Reserve Board of New York were clumsy, and inadvertently caused a larger market reaction than intended.

Today, the Federal Reserve has tried to correct market impressions by acting to hold the Fed funds rate at 6-5/8 percent or below. Markets have quieted, and interest rates have declined somewhat from where they were at the beginning of the day. The stock market, however, was down sharply today.

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Hamilton Jordan

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

RE: BOARD OF GOVERNORS OF THE POSTAL SERVICE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

*Have - See
me - no hurry
J*

October 24, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *H.J.*

SUBJECT: Board of Governors of the Postal Service

You asked for some information on Robert Townsend as a possibility for the Board of Governors of the Postal Service. Attached is a summary of the comments we received on Mr. Townsend when we looked at him for the Civil Service Commission. Pending your review, I have not tried to ascertain whether he would be interested in such an appointment.

I would like further checks made _____

Let us discuss _____

Give me other names _____

Attachment

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

*Ham -
phone conversation
J*

October 20, 1977

Mr. President:

In the recent memorandum where I recommend Dan Rambo for appointment to the Board of Governors of the Postal Service, you commented, "why Oklahoma? House support is poorest in Congress...why not someone like Ed Price?"

I was advocating Dan Rambo because he was an early supporter of ours - he left Oklahoma in the Fall and managed our state campaign in Kentucky in the general.

I was not advocating Rambo because he is from Oklahoma - I was advocating him in spite of the fact he is from Oklahoma and because he is a good man and well qualified.

I am not sure I know Ed Price that well, but will be glad to get up pertinent information about him if you want him to be appointed to the Board.

H.J.

Hamilton Jordan

p.s. As a good compromise, I would suggest Bobby Allen of North Carolina..

Proceed with Rambo _____

Give me information on Price _____

Give me information on Allen _____

Currently private investor and Publisher. Formerly President of Advisory Board of Directors of Dun and Bradstreet and many other companies. Formerly with American Express. Owned his own seat on the New York Stock Exchange while in his twenties.

COMMENTS:

Ralph Nader: Bob Townsend has a remarkable ability to combine change with excitement. He gets the best out of people in ways they like. Bob has the ability to parcel out spirit to a lot of people. He is the country's greatest management theorist. Bob changes things and makes you like it. People that work for him like him and think he is extremely fair."

Willson Newman, Chairman of the Board, Dun and Bradstreet: Haven't known him over the past ten years; was a promising young man, one of the best minds on Wall Street in those days. Important to know what he has done in the last ten years.

Colin Marshall, President of Avis: Very intelligent, did great things for Avis. Bob has unorthodox ideas and is a great leader of people. Did not work directly with Bob because I was in Europe at the time.

Bill McPike, Senior Vice President, Avis: Couldn't pick a better guy. Greatest human being I've ever worked for. Great believer in delegating and decentralizing. Turned Avis around in one of the greatest American success stories. Has an unusual ability to understand what motivates people. Most people-oriented guy I've ever known. His book is taught at colleges in the fields of English, creative writing, and communications. As honest a person as I've ever known in my life. He has the highest ethics. Also a great financial and business manager. Has spent his last ten years helping other people rather than amassing large amounts of money.

Peter Drucker, Professor, Claremont College: Excellet financial hatchet man, has no loyalties to anyone but himself. He hasn't done anything in ten years. Probably recommended to you by Nader. I've used him twice to clean house in organizations that needed it.

ROBERT TOWNSEND

Jerome Hardy, President, Dreyfuss Fund: Extremely good person who has a passion for the truth. He would make a heroic attempt to clean up any problem that was presented to him. People who work for him would do anything he asked them to.

James Marsh, President and Publisher, The Washington Monitor: Sensational, he can conceptualize problems on the largest scale and is able to make the basic changes to solve those problems. Incredible motivator of people, inspirational leader. Colorful and outrageous when not working, serious when working. One of the kindest people I've ever met. A genius. Relationships with other people are quite good.

ROBERT C. TOWNSEND

Los Angeles, California

B. July 30, 1920 56 yrs.

Education

1942 B.A. Princeton
 Postgraduate, Columbia

Experience

1969 - Private investor and publisher, The Washington
 Monitor
1970 Author, Up the Organization
1959-69 Director, Dun and Bradstreet
1962-65 President and Board Chair, Avis Rent-A-Car
1952-62 Director, Hertz American Express Interna-
 tional, Ltd.

THE WHITE HOUSE
WASHINGTON

November 1, 1977

Stu Eizenstat
Tim Kraft

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President

RE: SEN. MOYNIHAN - WELFARE
REFORM AND SOCIAL SECURITY

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI
	/
	MONDALE
	COSTANZA
	EIZENSTAT (was copy)
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

SE memo only	
/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

To: Rick Hutcheson

The President handed
this to Stu.

Janne

1 Nov 77

I have made a copy for
our files.

THE WHITE HOUSE
WASHINGTON

11-1-77

Mr. President:

Watson and Frank Moore concur
with Califano.

Eizenstat and Schultze
views attached.

McIntyre's views expected
but not yet received.

Rick

THE PRESIDENT HAS SEEN.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

October 28, 1977

MEMORANDUM FOR THE PRESIDENT

FROM Joe Califano *Califano*

In response to a memo from Stu Eizenstat, you indicated that you wanted me to work out a compromise with Senator Moynihan on welfare reform and social security. I have had numerous discussions with Senator Moynihan and would like your clearance to float, as my own proposal, the following suggestion with Senator Moynihan and Senator Russell Long, who is the critical third leg on the stool of Senate social security legislation this year.

1. Fiscal Relief:

- Moynihan's first proposal was a billion dollars, divided evenly between 1979 and 1980.

After your suggestion of compromise, I proposed a three year relief increase with all of the funding to be incorporated in the welfare reform bill itself.

Moynihan responded by requesting that the amounts should be \$500 million in 1978, \$1 billion in 1979 and \$1.5 billion in 1980, with the 1978 appropriation to be made independently in legislation currently pending, and the rest attached to the welfare reform legislation.

After a subsequent discussion, I propose the following:

FY 78	\$374 million
FY 79	\$452.8 million (subject to error rate achievement)
FY 80	\$998.2 million (subject to error rate achievement)--

--or a total of \$1.35 billion over three years, leading to the \$2.1 billion relief in 1981. Only the first year would be authorized now, the remainder would be dependent on passage of the welfare reform legislation. The money would go out under a formula that would reflect the following:

- The funds would go to the states in the amounts they would have received under the Moynihan proposal.
- No state would get more than it would in relief under the welfare reform proposal.
- Only if the state could receive more than ten percent under welfare reform could they get more than ten percent under the compromise.
- The Secretary of HEW would determine the method of calculating error rates.

2. Senator Long Items

-- Demonstration Projects:

Senator Long wants to reinstitute workfare. We would suggest demonstration projects, with prior Secretarial approval, on a single-state basis with no more than three projects in any one state. Long is opposed to our prior approval position but we should hold fast; otherwise many groups who are our allies will attack us, and, most importantly, most projects will end up in the courts because the states often tend to go beyond the complex law.

-- Financial Incentives for Error Rates Below 4%:

We can agree with Long on this provided we have the discretion to define error rates so we don't end up in constant bickering and litigation with the states.

-- Access to Records:

Long wants to give HEW access to compare social security, unemployment, and AFDC records. Since we are already doing some of this on a demonstration basis in the social security area, we can agree with this.

I believe we can sell that package to Long and Moynihan.

I think it is important to get the social security bill this year, at a time when we have the votes. Otherwise, I am afraid it will unravel if it goes over to next year.

Time is of the essence and since Hale and I have both been talking to Moynihan, he can pick up this negotiation Monday morning even though I will be in New Jersey campaigning with Governor Byrne.

I recommend you grant me approval to proceed with the negotiation along the lines mentioned above.

Approve _____

Disapprove ✓

cc: Stu Eizenstat
Jim McIntyre

A handwritten signature, possibly "JC", in dark ink.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

October 31, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
FRANK RAINES

SUBJECT: Califano Memo on Proposed
Compromise with Senator Moynihan
on Fiscal Relief

Secretary Califano has sent you a memorandum responding to your direction that he seek a compromise with Senator Moynihan on welfare fiscal relief for the states and localities. The Senator's bill would provide \$500 million in relief in FY 1978 and another \$500 million in FY 1979 (total \$1.0 billion). His latest negotiating position is \$500 million in FY 1978, \$1 billion in 1979 and \$1.5 billion in 1980, with the latter two amounts dependent on passage of the welfare reform bill.

Califano would like approval of a counterproposal which provides \$374 million in relief in FY 1978 (prior to passage of the welfare reform bill), and \$452.8 million in FY 1979 and \$532 million in FY 1980 (as part of the welfare reform legislation). Apparently, Moynihan is prepared to agree to these figures.

Califano views this transaction as part of an overall negotiating strategy involving welfare reform, social security and H.R. 7200 (the bill with the original Moynihan amendment, several repressive welfare changes, and the subsidized adoption provisions). He hopes to obtain Moynihan's help on welfare, and Long's agreement to drop some of his welfare changes and report the social security bill to the Senate floor. We do not know whether Long has agreed to this arrangement.

We greatly respect the Secretary's judgement on how best to balance the negotiating on the various bills at this time. We could agree to the compromises on the non-fiscal relief part of the bill Califano has worked out.

We are concerned, however, about the proposal to offer some fiscal relief prior to and in the absence of welfare reform. We oppose any FY'78 money now before any movement on our bill. Moreover, it is Moynihan more than Long who wants the fiscal relief part of H.R. 7200. It would be very easy for Congress to simply increase and renew the relief each year and never deal with the question of structural reform. Your approval of the negotiations with Moynihan included only fiscal relief in the interim between passage of the welfare reform bill and implementation.

Although Moynihan is likely to insist on some immediate relief, I would recommend that we hold fast and agree to fiscal relief only as part of the welfare reform bill. This could include some retroactive relief which could apply to FY 1978 but only after passage. To agree to \$374 million in FY'78 now would undercut this position. Any other course would, we fear, dissipate the vigor with which the state and local governments are likely to push for the welfare reform bill. If we do concede some immediate relief we should insist on an agreement from Moynihan and Long that they will oppose any attempt to extend the temporary relief except as a part of welfare reform.

Moynihan is apparently anxious to announce an agreement. He has proposed that an effective forum would be as part of a meeting with you on welfare reform including Ullman, Corman, Long and Moynihan. I would agree that such a meeting could be a useful push for welfare reform now that public hearings have begun -- but not now. If you think such a meeting would be useful I will work with Frank Moore and Hamilton to set it up later not to conflict with our effort on the energy legislation. However, it should not occur before Secretary Califano meets with Long and Moynihan. He should determine the extent to which such a deal is necessary to pass social security legislation.

Recommendation

I recommend that you indicate to Secretary Califano that you would prefer that all fiscal relief be dependent on passage of the welfare reform bill. Nothing further should be done unless essential to pass social security legislation in the Senate -- and only after tough bargaining and coming back to you. We think social security will pass on its own -- it has a dynamic of its own. (Note, however, that Moynihan might be successful in adding his fiscal relief amendment to Social Security on the Senate floor even against our opposition.) I also recommend you have a meeting on welfare reform with the key members of Congress after the energy push is over and during the recess.

Decision

- I. ☐ Agree to the Califano proposal as presented
☒ Agree to negotiating position stated above (recommend)
- II. ☒ Arrange meeting at appropriate time (recommend)
☐ Do not schedule meeting

J.C.

Electrostatic Copy Made
for Preservation Purposes

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

October 31, 1977

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze ^{CLS}
Subject: Secretary Califano's Proposed Compromises
with Senators Moynihan and Long

1. Fiscal Relief

Secretary Califano has proposed that the Administration compromise with Senator Moynihan on his state and local fiscal relief proposal, which is contained in the version of H.R. 7200 recently reported out by the Finance Committee. The proposal calls for an additional \$1.8 billion in grants to state and local governments over the current and following two fiscal years. The first \$374 million to be spent in FY 1978 would be authorized now, while authorization of the remaining \$1.5 billion would be contingent on passage of our welfare reform package. Note that these extra outlays would add directly to the FY 1978-80 deficits projected in the recent budget exercise, since the phase-in for welfare reform contained nothing for fiscal relief.

The Califano compromise makes sense in that it would allow a smoother transition to the \$2 billion of fiscal relief provided in our welfare reform bill for FY 1981. I have no objection to the increased outlays, provided they are linked inextricably with welfare reform. I would recommend that the second two installments be authorized as part of the welfare reform program. Without such a condition, given the current healthy condition of state and local finances (aggregate operating surpluses are running about \$10 billion), it would be hard to justify a further increase in what amounts to general revenue sharing. There are other less costly ways of providing assistance to New York.

2. Senator Long Items

I have no comment on these issues, except that I agree with Secretary Califano that we should stick to our guns on prior approval of workfare demonstration projects.

THE WHITE HOUSE

WASHINGTON

Date: October 31, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Frank Moore (Les Francis) - *attached*
Jack Watson *attached* *concur*
Jim McIntyre

FOR INFORMATION:

The Vice President
Hamilton Jordan
Charles Schultze *attached*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Califano memo dated 10/28 re Sen. Moynihan and
Welfare Reform and Social Security

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

Please note other comments below:

☐ No comment.

*11/1 9:30 am
Met discussing with the President
now w/ Stu also*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 31, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
~~Frank Moore~~ (Les Francis)
Jack Watson
Jim McIntyre

FOR INFORMATION:

The Vice President
Hamilton Jordan
Charles Schultze

XC: TATE
CABLE
FM

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Califano memo dated 10/28 re Sen. Moynihan and
Welfare Reform and Social Security

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

CONGRESSIONAL LIAISON:

Concur w/ recommendations. It is essential that social security financing be favorably disposed of this year. Secretary Califano's assessment of its chances next year are correct.

Bob Thomson via
Les Francis

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 31, 1977

MEMORANDUM

FOR ACTION:

~~Stu Eizenstat~~
Frank Moore (Les Francis)
~~Jack Watson~~
Jim McIntyre

1977 OCT 31 AM 11 22

FOR INFORMATION:

The Vice President
Hamilton Jordan
Charles Schultze

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Califano memo dated 10/28 re Sen. Moynihan and
Welfare Reform and Social Security

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

- (1) The promise of fiscal relief to the states is the strongest political force pushing welfare reform. Allowing it to be achieved incrementally and without concurrent approval of reform measures is risky.
- (2) Reducing error rates prior to reform will require states to invest more of their own funds in personnel, training, or computer technology. Most states are likely to be reluctant to invest larger amounts of their own dollars in activities which may or may not reduce error rates without assurance that they will be "held harmless" for these additional expenditures after reform.
- (3) The figures at the bottom of page 1 add \$1.825 billion rather than the stated \$1.35 billion.

JP

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

Check with OMB to see if
they are going to have
comments. President called
for this, so he already
has the Califano memo.

~~Cutter briefing
on 1/17 w/ M & H
Morgan~~
10/15

~~Tell me
what to do
a
I will see to it
I will see to it
I will see to it~~

Mc' in my
w/ Pres sec'y
9/30